

**Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Fifth Set of Information Requests**

Request No. AG-5-25 (Electric)

Table 2 of JLH-3 (Electric) includes the label "Using % Growth Related Net Account Additions." Please explain what this label means.

Response:

The term "Using % Growth Related Net Account Additions" refers to the general method employed to measure marginal costs on this table. Other approaches were considered for use in this study (e.g. additions less retirements) but were abandoned. The selected method employs the results of calculations performed on Schedule JLH-3 (Electric), Table 2, page 2 (as indicated in note 1: "Source: Table 2, page 2"). These calculations are based on historical plant additions for 1989 through 2001 adjusted with the Handy-Whitman Index, resulting in net additions for primary and secondary as shown on lines 22 and 23. These additions are then multiplied by the "ESTIMATE OF ADDITIONS RELATED TO LOAD GROWTH" shown on line 25 resulting in Additions for load growth on lines 27 and 28. This calculation is necessary to remove investments that are not growth related, such as replacement of retirements. Cumulative net additions are shown on lines 30 and 31. These are then used in Schedule JLH-3 (Electric), Table 2, page 1 columns (2) and (5).

A more detailed description of calculations on Schedule JLH-3 (Electric), Table 2, page 2 has been provided in the response to DTE 2-78.

Person Responsible: James L. Harrison